

# Direct Loans

William D. Ford Federal Direct Loan Program

## Federal Direct Consolidation Loan Instructions for Application and Promissory Note

OMB No. 1840-0693  
Form Approved  
Exp. Date 1/31/2002

### Before You Begin

Before beginning, you will need to gather all of your loan records, account statements, and bills so that you will have on hand all the information you will need to complete the application and promissory note.

The form should be printed in blue or black ink or typewritten, and it must be signed and dated by the applicant(s). If you cross out anything and write in new information, put your initials beside the change.

Incorrect or incomplete information may delay processing.

### Section A: Borrower Information

**Items 1 and 2:** Enter the information requested.

**Item 3:** Enter your permanent home street address. If your mailing address is an RFD, post office box, or general delivery, you must list **both** the street address and mailing address.

**Items 4 - 6:** Enter the information requested. Note, Items 5 and 6 are optional.

**Item 7:** Enter any former names under which one or more of your loans may have been made. (If none, enter "none.")

**Item 8:** Enter the information requested.

**Item 9:** First, enter in the parentheses the two letter abbreviation for the state that issued your driver's license. Then, enter your driver's license number. (If none, enter "none.")

**Items 10 - 12:** Enter the information requested. If none, enter "none."

**Item 13:** If married, check "Yes" or "No" to indicate whether you want to consolidate your loan(s) with your spouse's loan(s).

### Section B: Reference Information

**Item 14:** See instructions provided in the section.

### Section C: Spouse Information

**Note:** Complete this section only if you are married and wish to consolidate your loans with those of your spouse. Remember, if you do this, you are both responsible for repaying the total consolidation loan, even if you become separated or divorced or if one spouse dies.

**Items 15 - 17:** Enter the information requested.

**Item 18:** First, enter in the parentheses the two letter abbreviation for the state that issued your spouse's driver's license. Then, enter your spouse's driver's license number. (If none, enter "none.")

**Item 19:** Enter the information requested. Note, this item is optional.

**Item 20:** Enter any former names under which one or more of your spouse's loans may have been made. (If none, enter "none.")

**Item 21:** Enter the information requested. Note, this item is optional.

**Items 22 - 24:** Enter the information requested. (If none, enter "none.")

### Section D: Education Loan Indebtedness

This section asks about your education loans. List **all** your education loans in Section D, including your Direct Loans and loans you are **not** consolidating. To find the information you will need to answer these items, there are several places you can look, such as:

- the last monthly billing statement you received,
- your quarterly interest statement or annual statement,
- your coupon book, or
- the Internet site of your loan holder or servicer.

If you are currently in school, you can contact the financial aid administrator at your school.

**Item 25:** Enter the information requested. You must give us at least the name, city, and state of your loan holder or servicer. Use the resources listed above to find this information. For example, on your statement, there might be two addresses: first, the address where you send your payment, and second, an address that is sometimes called the "correspondence address." For Item 25, we want you to give us the "correspondence address." If there is only one address on your documents, give us that address. If you cannot find this information on your documents, call the telephone number on the statement or use the other resources listed. For each loan, send a photocopy of the document where you found the information.

**Item 26:** Enter the letter that corresponds to the loan type from the chart provided. If you are not sure about the loan type, leave this item blank.

**Item 27:** Tell us whether the loan was made to you, to your spouse, or to both of you by entering:

**B** - for borrower    **S** - for spouse    **J** - for loans to both of you  
You **must** complete this item, even if you are not married.

**Item 28:** Enter the account number for each loan (the number should be on your statement or in your payment book). If you cannot find the account number, leave this item blank.

**Item 29:** Enter the current balance for each loan as of your last payment. You **must** complete this item. Use the amount on your last statement or give us an approximate amount.

**Item 30:** Tell us whether you wish to consolidate this loan by entering "Y" in the "Yes" column or "N" in the "No" column. You **must** answer this item.

**Note:** If you need additional space to list all of your loans, complete the Federal Direct Consolidation Loan Additional Loan Listing Sheet and return it with your application and promissory note. Be sure to write your name and social security number in the spaces provided.

### Section E: Repayment Plan Selection

**Item 31:** See instructions provided in the section.

### Section F: Promissory Note

**Note:** Read the entire promissory note (pages 3 and 4) and the accompanying Borrower's Rights and Responsibilities before signing and dating the promissory note as indicated.

Do not make any changes to this section. Changes will void the terms and agreements of the promissory note. This is a legally binding contract.

**Item 32:** Sign and date the promissory note in blue or black ink. If you and your spouse are applying for a joint consolidation loan, you both must sign and date the promissory note. If you fail to do so, your application will not be processed.

Review all the information on your Direct Consolidation Loan Application and Promissory Note. When complete, make a copy for your records and mail the original to us in the envelope provided.

As soon as we receive your completed application and promissory note and supporting documents, we will begin processing. During this time, we might call you with questions. We will be sending you a notice before we pay off your loan(s).

In the meantime, if you currently are required to make payments on your loan(s), continue to do so. You will need to continue making payments until you receive written notification that your loan(s) has been successfully consolidated and it is time to start paying your Direct Consolidation Loan. If you are having difficulty making payments on your loan(s), contact the correspondence address or telephone number on your current loan statement(s) to find out ways you might be able to postpone loan payments; ask specifically about your "deferment" or "forbearance" options.

### Types of Education Loans and Their Codes

#### Subsidized Loans

- A** Subsidized Federal Stafford Loans
- B** Guaranteed Student Loans (GSL)
- C** Federal Insured Student Loans (FISL)
- D** Federal Direct Stafford/Ford Loans
- E** Federal Direct Subsidized Consolidation Loans
- F** Federal Perkins Loans
- M** National Direct Student Loans (NDSL)
- N** National Defense Student Loans (NDSL)
- O** Subsidized Federal Consolidation Loans

#### Unsubsidized Loans

- G** Unsubsidized Federal Stafford Loans (including Non-Subsidized Stafford Loans made prior to 10/1/92)
- H** Federal Supplemental Loans for Students (SLS)
- J** Unsubsidized Federal Consolidation Loans
- K** Federal Direct Unsubsidized Consolidation Loans
- L** Federal Direct Unsubsidized Stafford/Ford Loans
- P** Auxiliary Loans to Assist Students (ALAS)
- Q** Health Professions Student Loans (HPSL)
- R** Health Education Assistance Loans (HEAL)
- S** Federal PLUS Loans
- T** Parent Loans for Undergraduate Students (PLUS)
- U** Federal Direct PLUS Loans
- V** Federal Direct PLUS Consolidation Loans
- Y** Nursing Student Loans (NSL)
- Z** Loans for Disadvantaged Students (LDS)
- W** Other education loans ineligible for consolidation

**Note:** You must consolidate at least one Direct Loan or FFEL Program Loan.

**For assistance when completing this form, call the  
Loan Origination Center's Consolidation Department at  
1-800-557-7392.**

**For the hearing impaired, the TDD number is  
1-800-557-7395.**

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William D. Ford Federal Direct Loan Program

## Federal Direct Consolidation Loan Important Notices

### Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C. 552a) requires that we disclose to you the following information:

The authority for collecting this information is §451 *et seq.* of the Higher Education Act of 1965, as amended (the HEA) (20 U.S.C. §1087a *et seq.*).

The principal purposes for collecting this information are to determine your eligibility for a Federal Direct Consolidation Loan that is made under the William D. Ford Federal Direct Loan (Direct Loan) Program, to document your agreement to repay this loan, and to identify and locate you if it is necessary to enforce the loan.

We ask that you provide the information requested on this Federal Direct Consolidation Loan Application and Promissory Note (application and promissory note) on a voluntary basis. However, you must provide all of the requested information that is available to you so the Department may process this application and promissory note because the Department needs the information to consolidate your loans into a Federal Direct Consolidation Loan.

The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal

Register, Vol. 59, p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59, p. 65532). Thus, this information may be disclosed to parties that we authorize to assist us in administering the Federal student aid programs, including contractors that are required to maintain safeguards under the Privacy Act. Disclosures may also be made for verification of information, determination of eligibility, enforcement of conditions of the loan or grant, debt collection, and the prevention of fraud, waste, and abuse and these disclosures may be made through computer matching programs with other Federal agencies.

Disclosures may be made to determine the feasibility of entering into computer matching agreements. We may send information to members of Congress if you ask them in writing to help you with Federal student aid questions. If we are involved in litigation, we may send information to the Department of Justice (DOJ), a court, adjudicative body, counsel, or witness if the disclosure is related to financial aid and certain other conditions are met. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for consideration of action

and we may disclose to DOJ to get its advice related to the Title IV, HEA programs or questions under the Freedom of Information Act. Disclosures may be made to qualified researchers under Privacy Act safeguards. In some circumstances involving employment decisions, grievances, or complaints or involving decisions regarding the letting of a contract or making of a grant, license, or other benefit, we may send information to an appropriate authority. In limited circumstances, we may disclose to a Federal labor organization recognized under 5 U.S.C. Chapter 71.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

### Financial Privacy Act Notice

Under the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401-3421), ED will have access to financial records in your student loan file maintained in compliance with the administration of the Direct Loan Program.

### Paperwork Reduction Notice

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is 1840-0693. The time required to complete this information collection is estimated to average 1.0 hour (60 minutes) per response, including the time to review instructions, search existing data resources, gather and maintain the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, Washington, DC 20202-4651. **If you have any comments or concerns regarding the status of your individual submission of this form, write directly to:**

**U.S. Department of Education  
Consolidation Department  
Loan Origination Center  
P.O. Box 242800  
Louisville, KY 40224-2800**